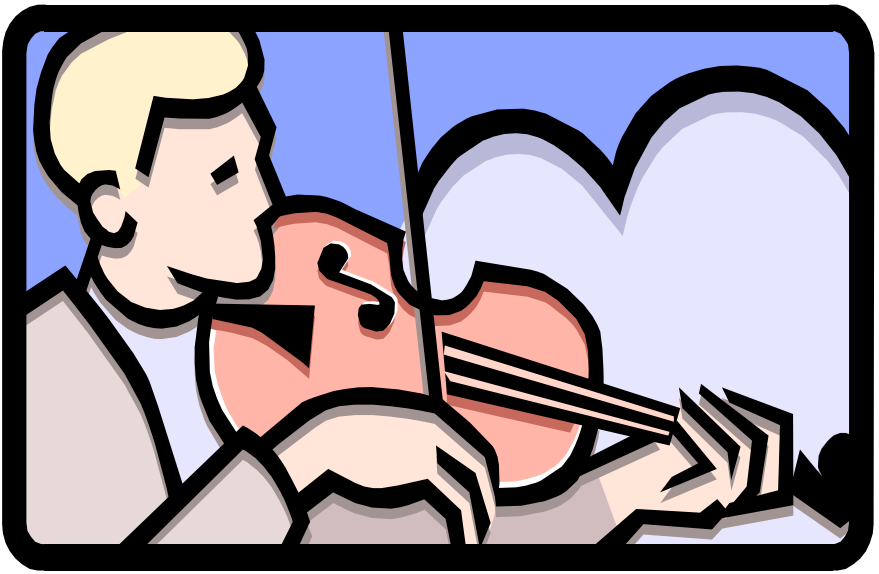
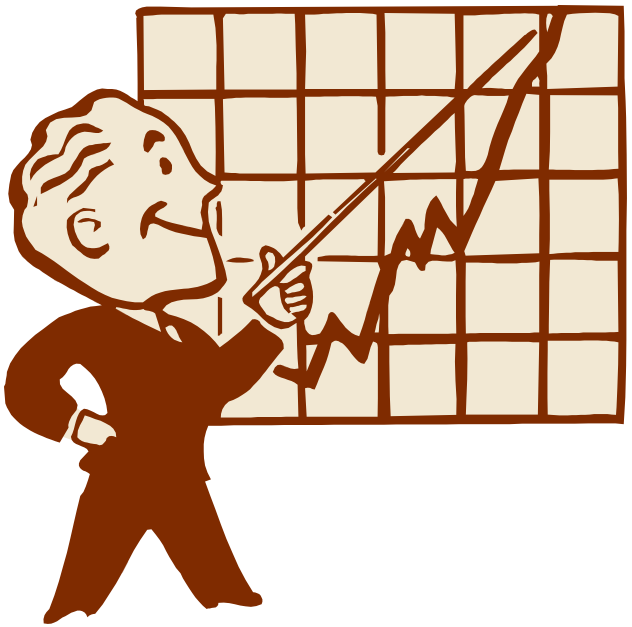
Understanding Source Selection

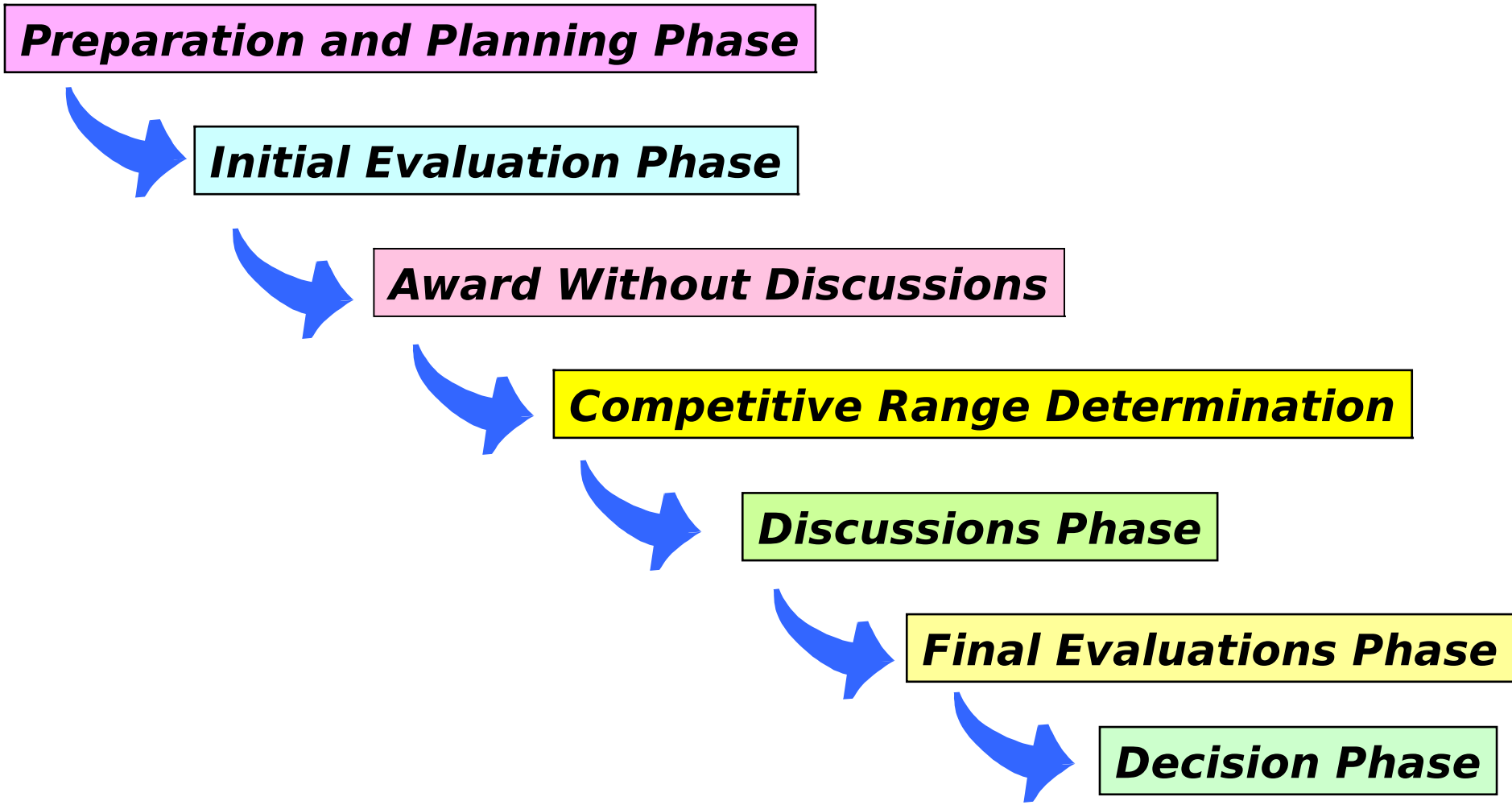
An Art
or
Systematic Process?



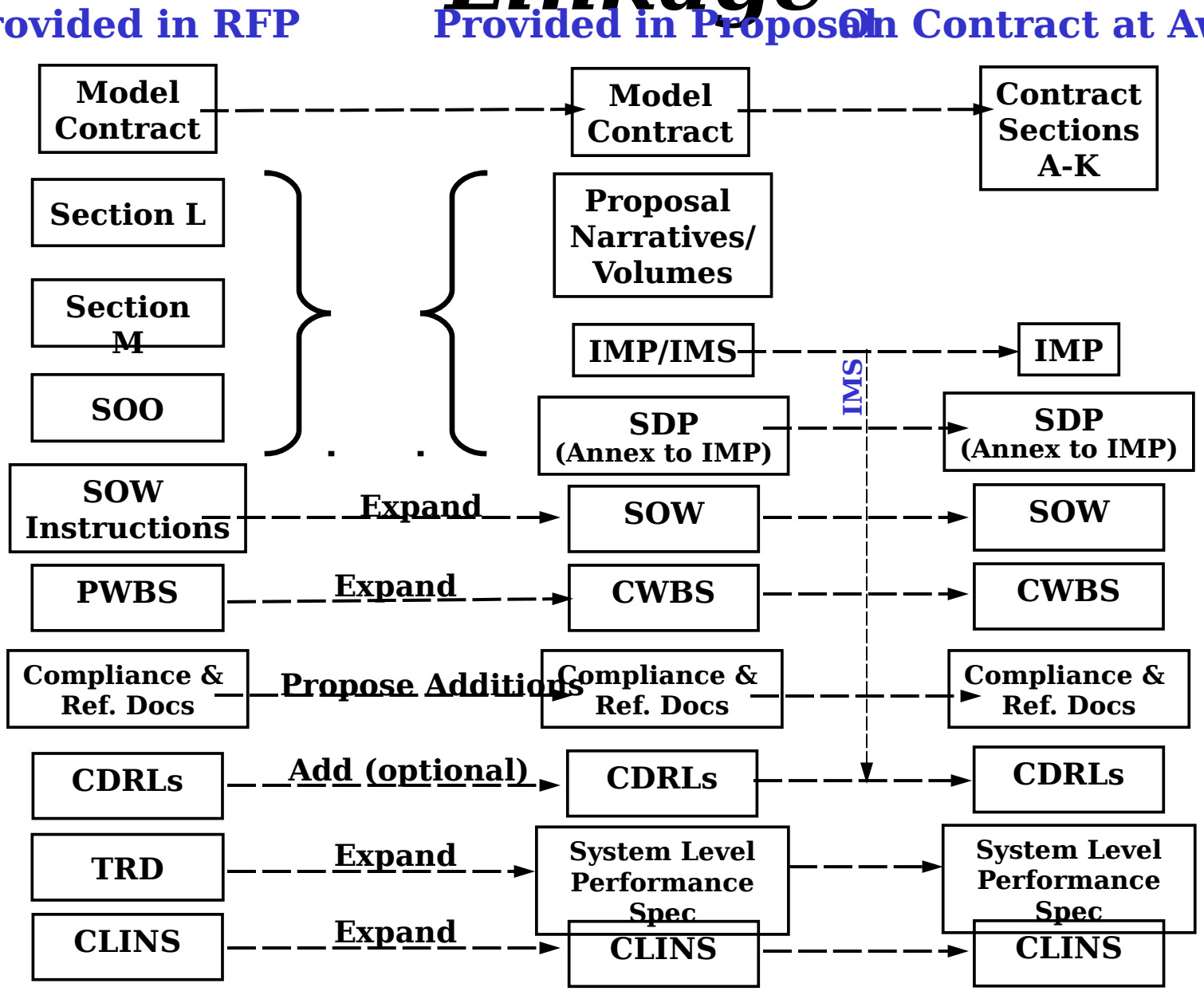


Source Selection Process

Overview



Document Linkage



Planning and Preparation (6)

- Before each Sub-Factor or Factor Team opens proposals, we strongly recommend:
  - Team discussion of Section M criteria and parts of the proposal that will be reviewed for each criteria
  - Proposal parts: narrative, IMP, IMS, spec, CDRL, etc.

Preparation and Planning

RFP Released, SSP approved, SSEG signed
You are here
Establish Team Ground Rules
Receive AXD Process Training
Receive AXD ESS Tool Demo & Exercise
Receive JA Procurement Ethics Training
Read RFP, TRD/Spec, SSP, SSEG
(Subfactor) Teams Discuss Section M Criteria

Planning and Preparation (3)

1. Read key RFP documents
   - Government Executive Summary
   - SOO
   - RFP Sections A-K, especially:
     - SRD/TRD (Section C, if used)
     - Delivery schedule (Section F)
     - Special Contract Requirements (Section H)
   - WBS and WBS Dictionary (if used)
   - Performance Based SOW (if used)
   - CDRL (DIDs)
2. Read the Source Selection Plan (SSP) and Source Selection Evaluation Guide (SSEG) (If Used)

Planning and Preparation (4)

3. Read *Section L* - Instructions, Conditions, and Notices to Offerors or Quoters
   - Review proposal structure table
   - Specifications and TRD/SRD (if used)
   - SOW Instructions (if used)
   - IMP/IMS Instructions
   - Cost/Price Instructions
4. Study *Section M* - Evaluation Factors/Criteria for Award
   - Understand RFP threshold/objectives (if used)
   - Understand how criteria relate to TRD/SRD Trade Space
   - Understand the uniform baseline against which each offeror is compared
5. Understand RFP/Proposal/Contract Document Linkage

(See next slide)

Outline

- Big Picture View
- Source Selection Objective and Organization
- Advisors and Evaluators Tasks
- Subfactor and Factor Chiefs Tasks
- SSAC and SSA Roles and Responsibilities
- Steps in the Source Selection Process
- Ground Rules, Guidance and Lessons Learned
- Summary
- Feedback

Source Selection Objective

"The objective of Source Selection is to select the proposal that represents the ***Best Value***"

FAR 15.302

Best Value: "The expected outcome of an acquisition that, in the Government's estimation, provides the greatest overall benefit in response to the requirement."

FAR 2.101

Source Selection Factors

Mandatory

Briefing Focus

- **Mission Capability (MC)**
  - Programmatic, Performance, and Business Aspects
- **Proposal Risk (PR)**

  Indicator of an Offeror's ability to execute the program within the proposed cost schedule, and performance baselines
- **Past Performance**

  Historical evidence of recent and relevant contract performance
- **Price/Cost**

  Most likely cost to the Government to perform proposed effort at contract completion

Each Factor uses a different evaluation process and definitions.

Proposal Risk Assessment Defined

AFFARS 5315.305 (a)(3)(B)

"Proposal risk assessment focuses on the risks and weaknesses associated with an offeror's proposed approach. Assessment of risk is done at the sub-factor (or element, if used) level, and includes potential for disruption of schedule, increased cost, degradation of performance and the need for increased Government oversight as well as the likelihood of unsuccessful contract performance. For any risk identified, the evaluation must address the offeror's proposal for mitigating those risks and why that approach is or is not manageable…."
[emphasis added]

MC & PR: THE DIFFERENCES b

	MISSION CAPABILITY	PROPOSAL RISK
FOCUS	DOES THE PROMISED PERFORMANCE MEET *THE* SOLICITATION *REQUIREMENTS*?	WHAT ARE *THE RISKS* OF MEETING SOLICITATION RQMTS IF PERFORMED AS PROMISED?
ISSUE	WHAT IS *QUALITY OF* PERFORMANCE-BASED *OUTCOME*?	WHAT RISKS ARE INHERENT IN OFFEROR'S *APPROACH*?
ASSESS-MENT	(MEETS) STRENGTH PROPOSAL INADEQUACY MC DEFICIENCY	(NO WEAKNESSES) WEAKNESS SIGNIFICANT WEAKNESS PR DEFICIENCY
RATING	BLUE GREEN YELLOW RED	LOW MODERATE HIGH

Cost/Price Definitions

(FAR 15.305(a)(i))

- **Cost/Price Reasonableness**

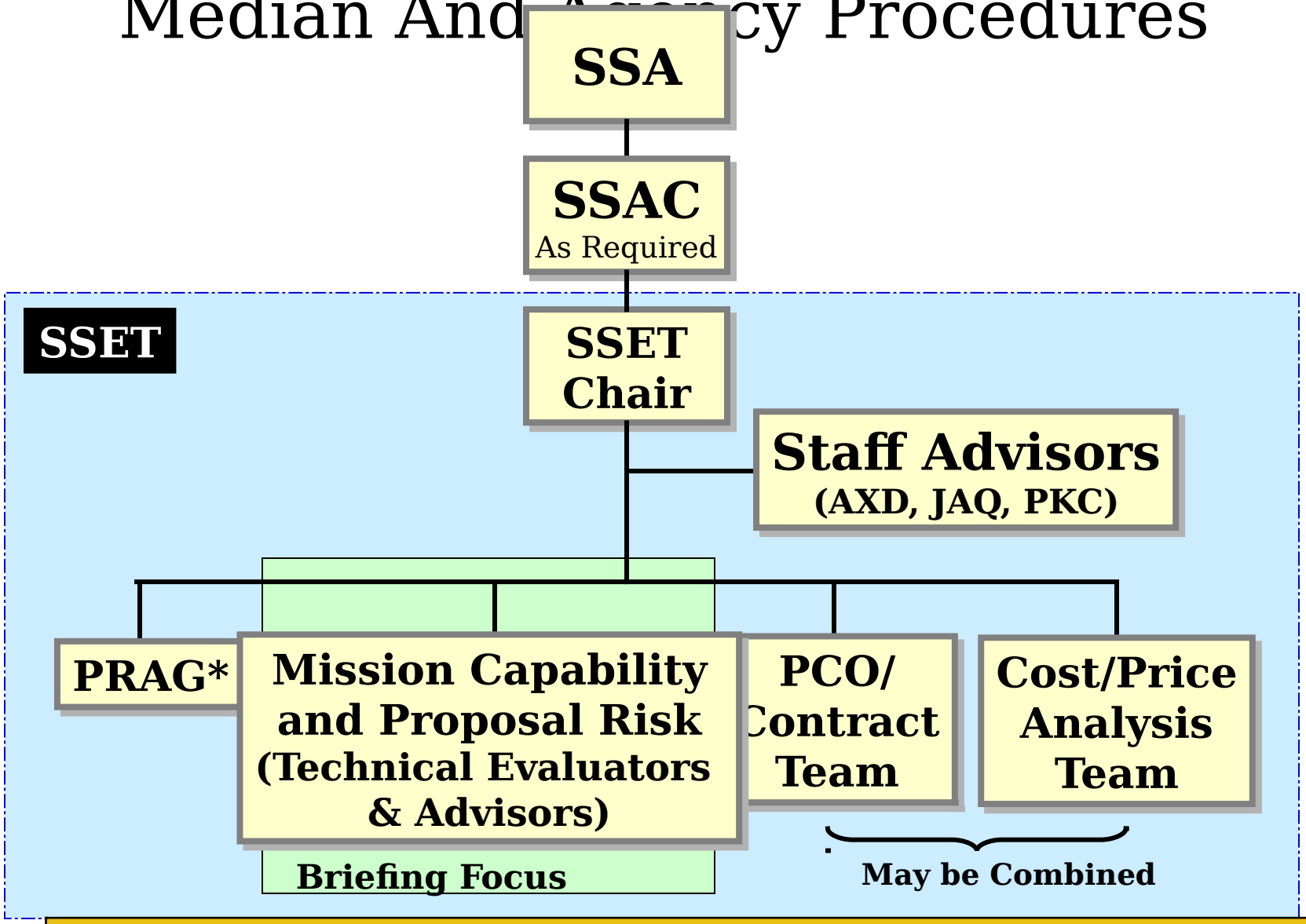
  Normally evaluated and assessed under price competition; may also be determined by other price analysis techniques such as parametric analysis

- **Cost Realism**

  Required for cost-reimbursement contracts, an assessment that proposed price appropriately considers scope and degree of effort. As elected by PCO, may be considered for other contract types such as FPIF

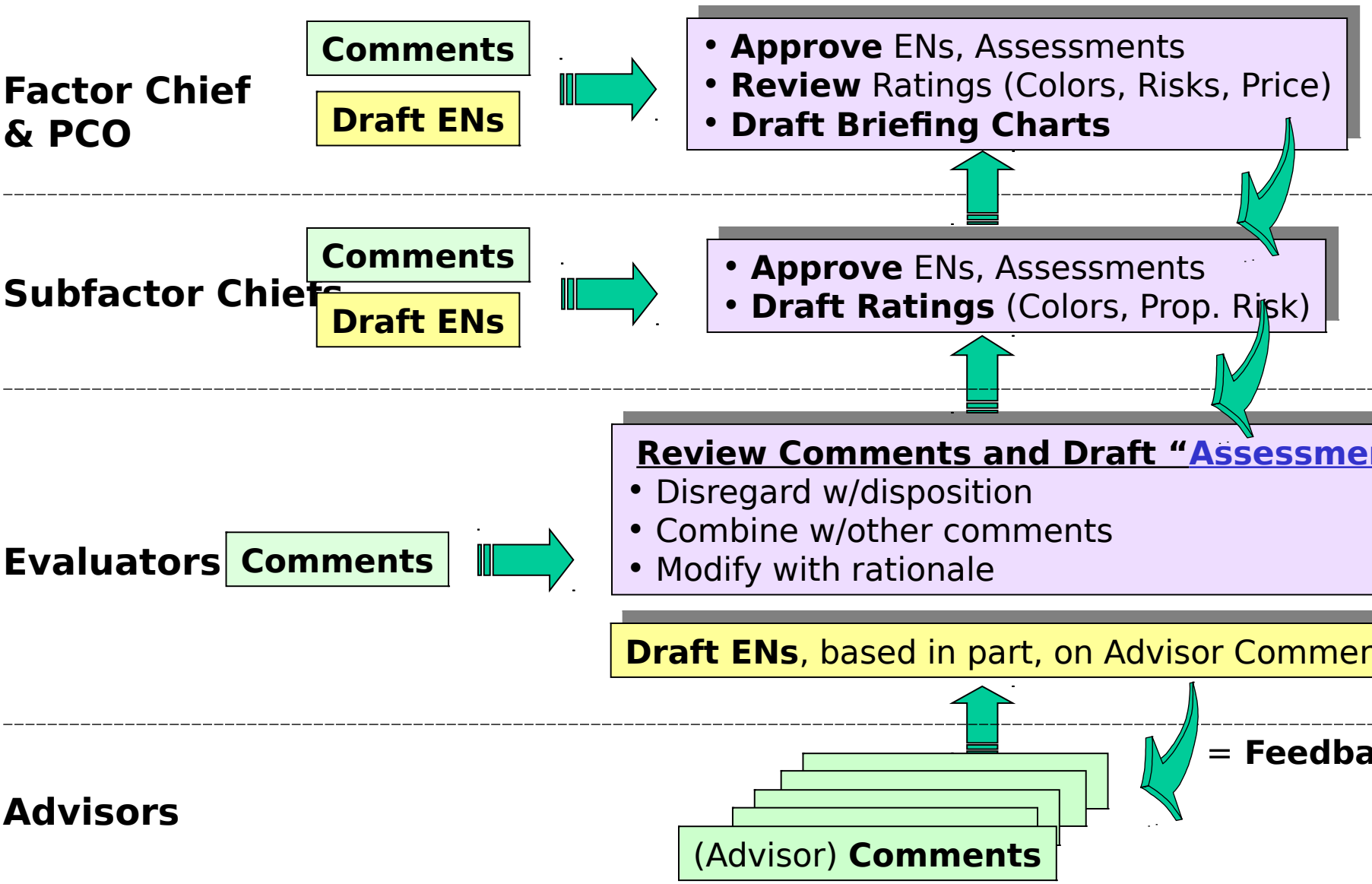
Source Selection Organization

Median And Agency Procedures



* Use of PRAG to evaluate Performance Confidence is optional for Median Acquisitions

"Rollup"



With "Suggested Questions"

Roles and Responsibilities

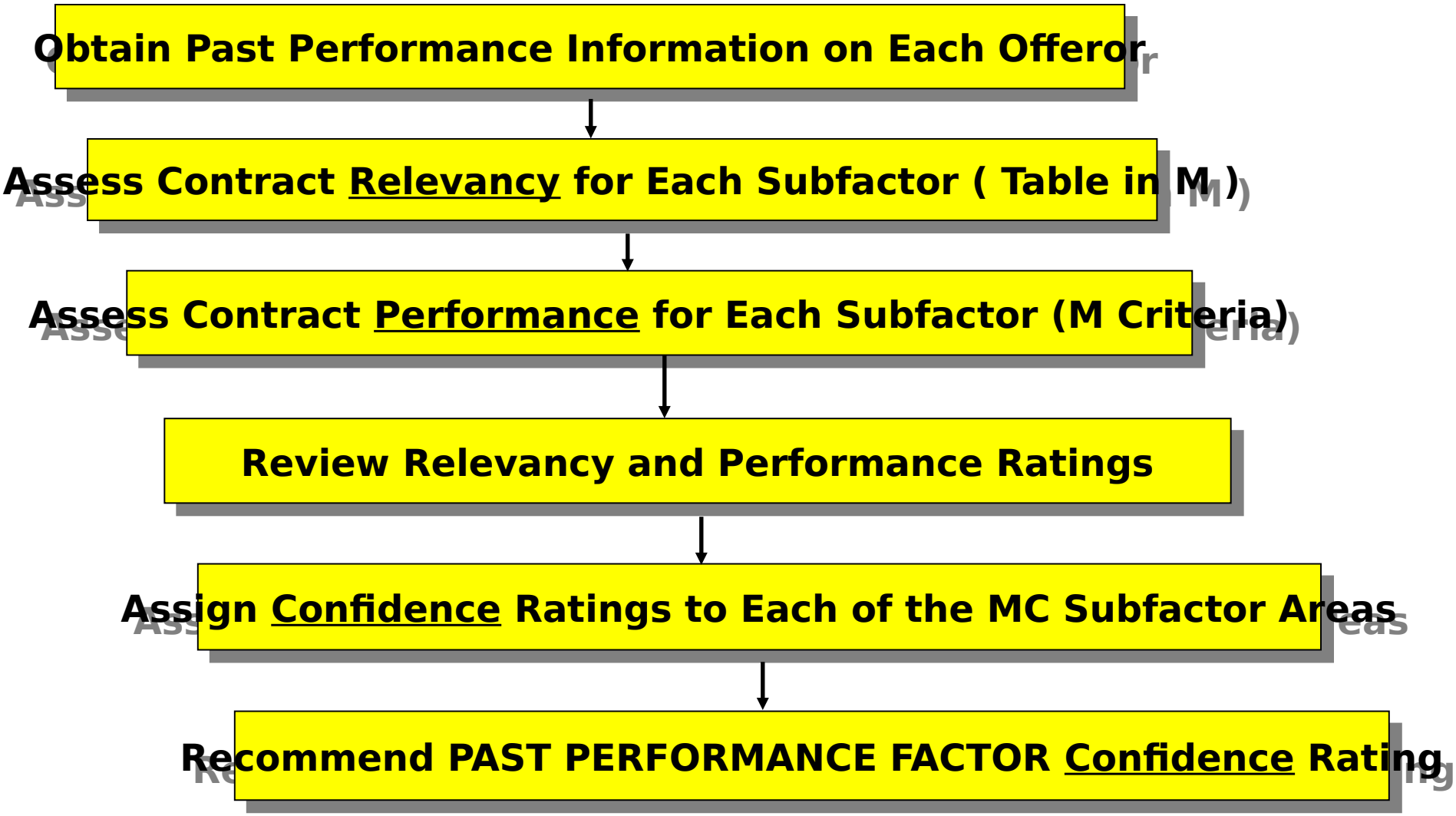
Source Selection Authority (SSA)

- **Approves release of Evaluation Notices (EN)**
- **Approves exclusion of any offeror from competitive range**
- **Makes selection decision**
- **Documents the supporting rationale in the Source Selection Decision Document (SSDD)**

Proposal Risk "Thought Process"

Key Aspects of Proposal Risk	Sources of Proposal Information
Disruption of Schedule	Integrated Master Schedule (IMS)
Increased Cost	Cost Volume or Manpower Tables
Degradation of Performance	MC Volume => proposed approach
Offeror's Risk Mitigation (Plans)	Mitigation Plans in MC Volume, if requested
Need for Increased Gov't Oversight	Likelihood of Oversight (result of evaluation)

Past Performance (Simplified) Process


Obtain Past Performance Information on Each Offeror
Assess Contract Relevancy for Each Subfactor (Table in M)
Assess Contract Performance for Each Subfactor (M Criteria)
Review Relevancy and Performance Ratings
Assign Confidence Ratings to Each of the MC Subfactor Areas
Recommend PAST PERFORMANCE FACTOR Confidence Rating

Roles and Responsibilities

Past Performance Risk Assessment Group (PRAG)

- **Membership:** **(AFFARS 5315.303-90(e))**
  - **Experienced Government-only personnel**
  - **Appointed by PRAG chairperson**
- **Duties:** **(AFFARS 5315.305(a)(2))**
  - **Evaluate recent, current & relevant past performance of each offeror**
  - **Assess Performance Confidence at Subfactor level and assign rating at the Factor level for each proposal**
  - **Recommend overall Past Performance Confidence rating, if requested by SSA**

Roles and Responsibilities

Summary Responsibilities

- **Cost/Price Factor Chief & Analysis Team**
  - **Evaluate cost/price volume to determine price reasonableness and cost realism, if applicable**
  - **Determines probable cost (Dollarize proposal risk and mission capability exceptions)**
  - **Uses separate processes, definitions and ground rules**
  - **Entire SSET can have access to cost information**

Evaluators and Advisors

- **Evaluators & Advisors (Government & Non-Government):**
  - Non-Government Evaluators/Advisors must be identified in the Source Selection Plan (SSP)
  - FFRDC can perform as MC/PR Evaluators /Advisors and PRAG Advisors
  - Contractor personnel can be MC/PR Evaluators/Advisors only if their contract allows them to perform these duties or there is an approved Determination/ Decision Document* (DDD)
    - POC: J.A. Taniguchi SMC/AXC
  - Do not determine final ratings or assign rankings of proposal

- **Staff Advisors:**
  - AXD, PKC, JAG, Aerospace personnel from SMC staff that review products and provide advice to source selection teams

SAF/AQX Memo and Policy 23 Jul 01, Subject: Air Force

Roles and Responsibilities

Summary Responsibilities

- **PCO/Contract Team (Factor Chief)**
  - **Principal SSET advisor on conduct of Source Selection**
  - **Controls all communication to/from offerors during Source Selection**
  - **Evaluates Terms & Conditions**
  - **Determines competitive range**
  - **Conducts negotiations**
  - **Assists in preparation of Source Selection Decision Document**

Roles and Responsibilities

Summary Responsibilities

- SSAC
  - **Reviews SSP**
  - **Reviews evaluation and findings of SSET**
  - **Provides advice, analysis and recommendation (if requested) to SSA**
- SSA
  - **Reviews and approves SSP**
  - **Determines if award without discussions is appropriate**
  - **Approves release of ENs**
  - **Makes final decision and signs documentation**

SSA IS THE CUSTOMER OF EVERYONE ASSOCIATED WITH SOURCE SELECTION

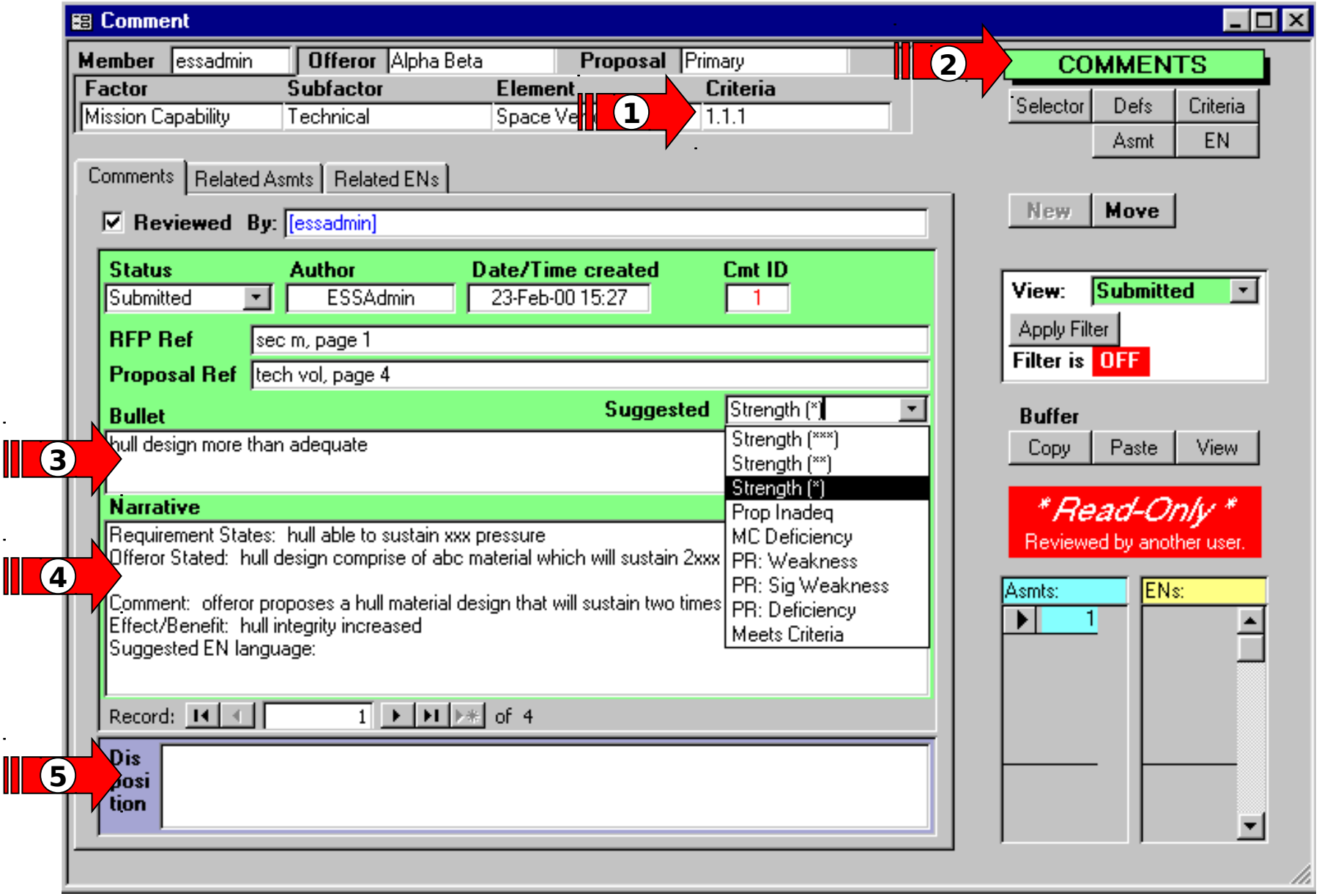
Source Selection Evaluation Team (SSET)

- **Evaluates proposals & revisions against solicitation requirements**
- **Reports evaluation results to SSAC & SSA**
- **Prepares:**
  - **Briefing charts, as applicable:**
    - **Competitive range briefing**
    - **Interim rating status briefing/s**
    - **Decision briefing**

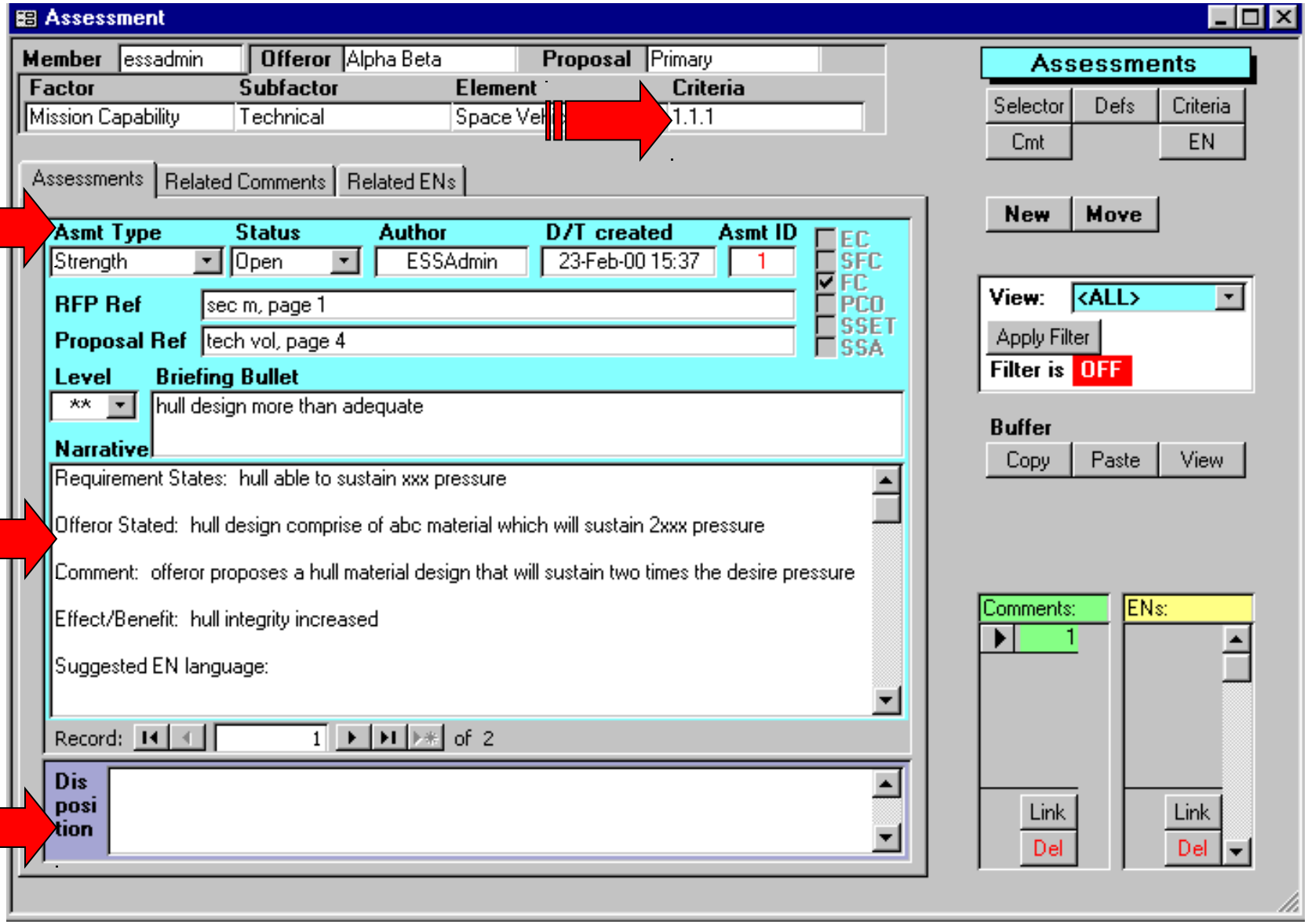
PRAG Duties

- **Past Performance Risk Assessment Group (PRAG)**
- **Duties:** **(AFFARS 5315.305(a)(2))**
  - Evaluate recent, current & relevant past performance of each offeror
  - Assess Performance Confidence at Subfactor level and assign rating at the Factor level for each proposal
  - Recommend overall Past Performance Confidence rating, if requested by SSA

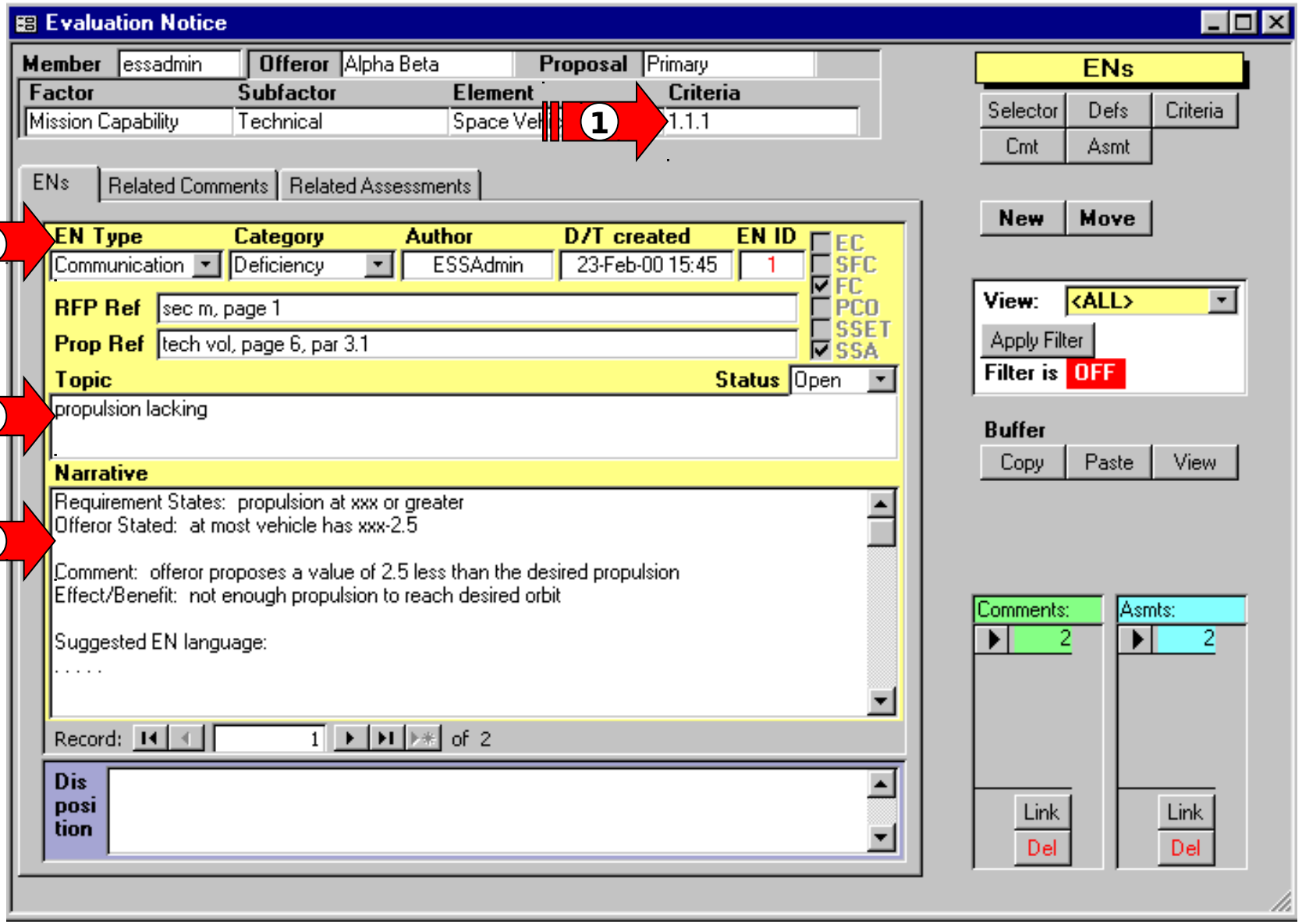
Comment Form



Assessment Form

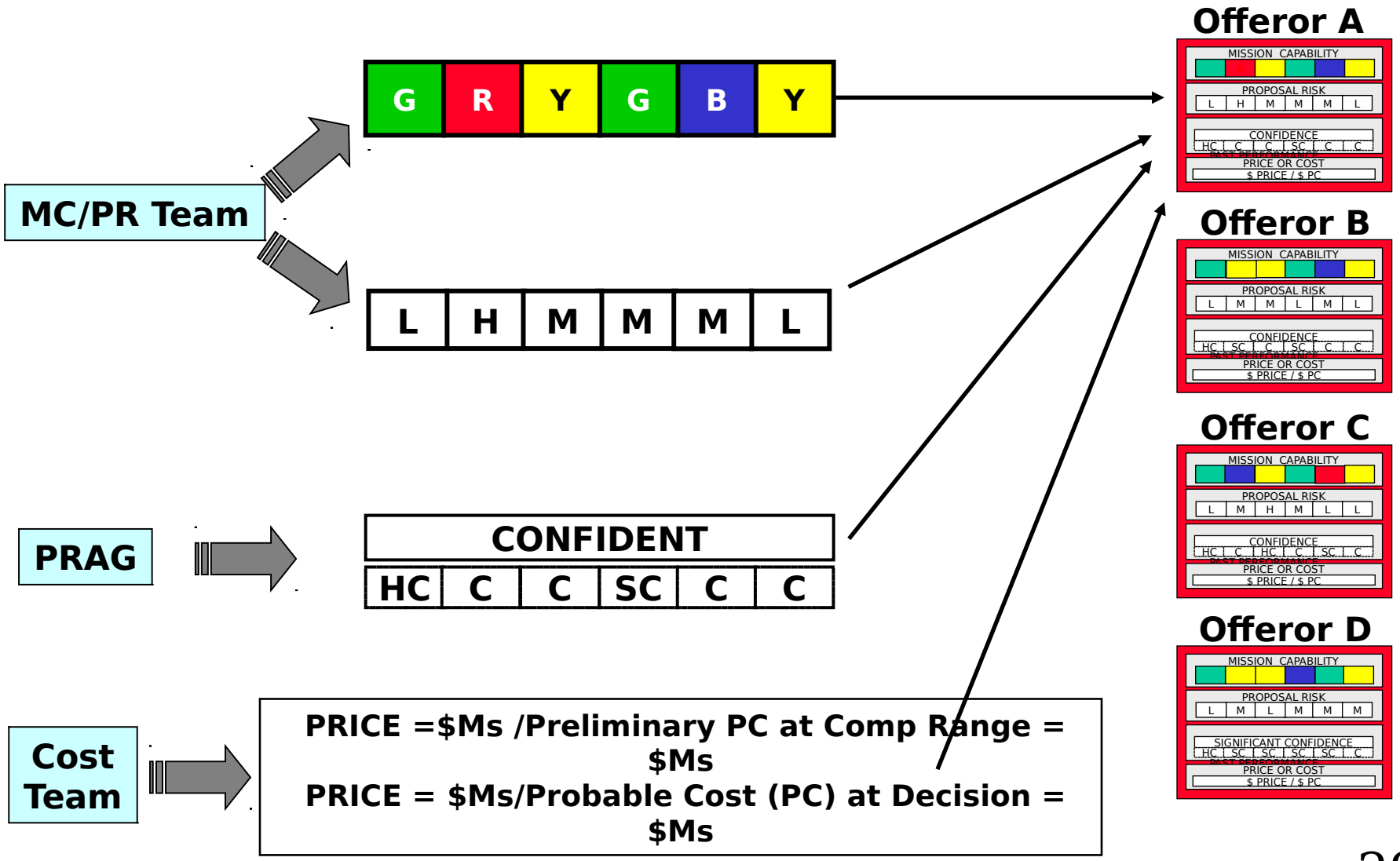

Assessment
Member essadmin
Offeror Alpha Beta
Proposal Primary
Factor Subfactor Element Criteria
Mission Capability Technical Space Vel 1.1.1
Assessments
Selector Defs Criteria
Cmt EN
Assessments Related Comments Related ENs
New Move
Asmt Type Status Author D/T created Asmt ID
Strength Open ESSAdmin 23-Feb-00 15:37 1
EC SFC FC PCO SSET SSA
RFP Ref sec m, page 1
Proposal Ref tech vol, page 4
View: <ALL>
Apply Filter
Filter is OFF
Level Briefing Bullet
** hull design more than adequate
Narrative
Buffer
Copy Paste View
Requirement States: hull able to sustain xxx pressure
Offeror Stated: hull design comprise of abc material which will sustain 2xxx pressure
Comment: offeror proposes a hull material design that will sustain two times the desire pressure
Effect/Benefit: hull integrity increased
Suggested EN language:
Comments:
ENs:
Record: 1 of 2
Link Del
Link Del
Dis posi tion

Evaluation Notice Form



Integrating the Ratings

Core Team: SSET Chair, Factor Chiefs, Sub-Factor Chiefs, PCO, Reco



Personal Implications

Personal Implications (co

“The power of collecting and disbursing money at pleasure is the
most dangerous power that can be entrusted to man, particularly
under our system of collecting revenue….”

Public Monies and Private Supplications, by Davy Crockett

“Public monies should be touched only with the utmost
conscientiousness of honor….”

Common Sense, by Thomas Paine

Please fill out your feedback forms, and Call AXD if you have questions!